Instructor:  
Martín Uribe <mu2166@columbia.edu>. Office hours Mondays 4:15-5:15pm, 1109A IAB.

Meetings: Mondays and Wednesdays 8:40am-9:55am, 517 Hamilton Hall.

Teaching Assistant:  
Yoon Joo Jo <yj2304@columbia.edu>. Office hours Tuesdays 2:10 to 3:10, Group study area, Lehman Library.

Recitations: (attend one per week)  
TBA

Prerequisites: Economics W3211 and Economics W3213.

Midterm Exam: Wednesday, March 7, in class.

Final Exam: TBA.

Course description: Econ W4505 is an elective in the economics major. The course develops theoretical frameworks for the analysis of the determinants of international capital movements, trade imbalances, and nominal and real exchange rates. The theoretical frameworks are then used as the basis for the discussion of policy issues such as the emergence of the United States as the largest foreign debtor, the recent European debt crisis, currency unions, debt default, balance-of-payment crises, and the effect of the Great Recession of 2008 on the world economy.

Text: “International Macroeconomics” by Stephanie Schmitt-Grohé, Martín Uribe, and Michael Woodford, textbook manuscript, Columbia University. The textbook manuscript and any additional readings will be posted on courseworks.

Requirements: The final grade will be based on written homework assignments (20%), a midterm examination (35%), and a cumulative final exam (45%). No late problem sets will be accepted and no makeup exams will be given. Homework assignments will be posted on courseworks one week before they are due. You may miss one of the homework assignments. Solutions to homeworks will be presented during recitation; they will not be posted.

Piazza: Please use piazza.com for your questions and other communications rather than emailing the TAs.

Outline of the material to be covered in class:

1. Global Imbalances

2. Current Account Sustainability

   *International Macroeconomics*, chapter 2.

3. A Theory of Current Account Determination

   *International Macroeconomics*, chapter 3.

4. Current Account Determination in a Production Economy
5. **Uncertainty and the Current Account**

*International Macroeconomics*, chapter 5.

6. **External Adjustment in Small and Large Economies**


7. **Twin Deficits: Fiscal Deficits and Current Account Imbalances**

*International Macroeconomics*, chapter 7.

8. **International Capital Market Integration**


9. **The Determinants of the Real Exchange Rate**


10. **Exchange Rate Policy and Unemployment**

    - *International Macroeconomics*, chapter 11.

11. **The Macroeconomics of External Debt**

    *International Macroeconomics*, chapter 12.

**Academic Integrity:** Columbia’s intellectual community relies on academic integrity and responsibility as the cornerstone of its work. Graduate students are expected to exhibit the highest level of personal and academic honesty as they engage in scholarly discourse and research. In practical terms, you must be responsible for the full and accurate attribution of the ideas of others in all of your research papers and projects; you must be honest when taking your examinations; you must always submit your own work and not that of another student, scholar, or internet source. Graduate students are responsible for knowing and correctly utilizing referencing and bibliographical guidelines. When in doubt, consult your professor. Citation and plagiarism-prevention resources can be found at the GSAS page on Academic Integrity and Responsible Conduct of Research. Failure to observe these rules of conduct will have serious academic consequences, up to and including dismissal from the university. If a faculty member suspects a breach of academic honesty, appropriate investigative and disciplinary action will be taken following Dean’s Discipline procedures.

**Disabilities Accommodations** If you have been certified by Disability Services (DS) to receive accommodations, please either bring your accommodation letter from DS to your professors office hours to confirm your accommodation needs, or ask your liaison in GSAS to consult with your professor. If you believe that you may have a disability that requires accommodation, please contact Disability Services at 212-854-2388 or disability@columbia.edu. Important: To request and receive an accommodation you must be certified by DS.